



# Oregon

Kate Brown, Governor

**Public Utility Commission**

201 High St SE Suite 100

Salem, OR 97301-3398

**Mailing Address:** PO Box 1088

Salem, OR 97308-1088

503-373-7394

**DATE:** September 21, 2020

**TO:** Senate Interim Committee on Environment and Natural Resources

**FROM:** Letha Tawney, Commissioner, Oregon Public Utility Commission

**SUBJECT:** Update on Investor-Owned Electric Utility Wildfire Protection Plans



## Introduction

Chair Golden and Vice Chair Olsen and committee members, for the record, I'm Commissioner Tawney of the Oregon Public Utility Commission (PUC). I'm here today to give a brief update on the status of the PUC's work on utility wildfire protection plans for the three investor-owned electric utilities regulated by the PUC – Portland General Electric, Pacific Power, and Idaho Power.

On behalf of the PUC, I'd like to begin today by extending deepest sympathies to all our communities affected by this wildfire tragedy. Our own employees have been impacted, from taking in evacuees to being under evacuation orders themselves and we so appreciate their hard work to keep serving Oregonians. Our team has worked non-stop with state, local and private sector partners to support the restoration needs, particularly of first responders, and to speed the repairs from widespread storm damage even while the wildfire crisis unfolded.

## Update on Existing Initiatives

In June I testified in front of the Committee on Wildfire Reduction and Recovery on the wildfire provisions of the Governor's Executive Order 20-04, which was signed in March, and the two directives that the PUC was engaged in implementing:

- Evaluate investor-owned electric utilities' risk-based wildfire protection plans and activities to protect public safety, reduce risks to utility customers and promote system resilience.
- Convene workshops to assist electric companies, consumer-owned utilities, and operators of electrical distribution systems to develop and share emerging best practices for mitigating wildfire risk.

In the last three months, and leading up to the wildfire crisis that is now unfolding, the PUC made progress in both of those areas.

### ***Utility Wildfire Mitigation Planning***

Following the catastrophic Camp Fire in California, the PUC began urgently engaging across Oregon and the West to bring changing wildfire risk to the forefront with the state's utilities and to begin adapting lessons learned in other jurisdictions to the Oregon landscape. Utilities across the state began identifying their risks and putting plans in place to address them – including considering where and when to activate Public Safety Power Shutoffs, reconfiguring circuits, updating field crew procedures during fire weather, reviewing their systems for vulnerabilities, and stepping up vegetation management along their power lines.

In August, the Commission opened a rulemaking to formalize the Commission's policy and process for evaluating investor-owned electric utilities' risk-based wildfire protection plans and activities. For the rulemaking, the PUC planned to identify interested stakeholders, prepare them to engage in the PUC's rulemaking process, and gather issues and concerns to inform the scope of the draft rules. The PUC recognized that key stakeholders like county emergency managers and state fire experts would be stretched thin by the fire season and COVID-19 and planned to begin workshops in the late fall and early winter.

This month's historic fire events will undoubtedly accelerate our work with the regulated utilities. They also will impact important stakeholders' capacity to engage. Although no formal decisions have been made, the PUC is exploring what actions can be prioritized.

It is important to remember that formal PUC rules are not necessary for utilities to plan for wildfire risks. Utilities are responsible for all aspects of providing safe and reliable service, and the PUC expects utilities to proactively engage in all-hazards risk planning, including seismic, cybersecurity, storm resilience, and wildfire risks. When deciding what utilities can charge customers, the PUC reviews all aspects of utility costs and performance to determine whether customer rates reflect reasonable, prudent business operation and risk management. In some areas of utility operation, like long-term electricity resource planning, the PUC adds to this backward-looking review with requirements to file plans in advance.

The goal of the PUC's rulemaking for utility wildfire protection plans is to bring consistency, transparency and engagement by communities and external wildfire experts to inform utility planning that the utilities had already begun. Although PUC rules will provide more certainty as to a utility's requirements for wildfire planning, the utility will still have the obligation to proactively and effectively plan for and adapt to changing risks.

### ***Oregon Wildfire Electric Collaborative***

In June, we launched the Oregon Wildfire Electric Collaborative (OWEC). As the Executive Order directed, the PUC designed OWEC to encourage participation from more than just the investor-owned utilities we regulate. The thirty-eight consumer owned utilities serving Oregon

and the Bonneville Power Administration have been invited to engage where they find the forum is valuable to their fire risk mitigation work.

OWEC's purpose is to enable lessons learned and best practices, whether created by Oregon utilities or coming from other jurisdictions, to be quickly understood and widely available to all utilities in the state. As facilitator, the PUC has planned workshops on topics of interest to the OWEC participants, developed workshop agendas, arranged presenters and managed logistics for conducting the remote workshops.

In July, we hosted the first workshop on the topic of Assessing Wildfire Risk. In panel discussions, Oregon utility representatives and external experts discussed tools and approaches to identify baseline modeled fire risk, seasonal fire risk (driven by drought, for example), and local knowledge and experience that can enrich the modelled results. In all three panels, we asked speakers about the data or outcomes the utilities are tracking to know whether their approach is effectively identifying and prioritizing high risk areas.

The next workshop on system hardening had been scheduled and planned for October 1, though we now will need to adjust and gather perspectives on how we adapt OWEC going forward from this month's tragic events.

### **Response to Labor Day Fires**

Many have asked how the PUC will respond to this month's historic and tragic fires, particularly given that reports from fire managers have implicated electric utility lines in some cases.

As with other major incidents affecting utility infrastructure and service, the PUC will ask utilities to present to the Commission on the fires' impacts to their systems and customers. All utility sectors (energy, natural gas, telecommunications and water) have been impacted, and the PUC will seek to understand outage levels, asset damage and system condition, and plans and expected costs for restoration.

The PUC will not determine cause or responsibility for fires. Oregon's fire agencies, and likely others, will conduct fire investigations. Investigations will take some time, in part because the infrastructure is complex. Thorough, fact-based investigations into the root cause of any wildfire will be critical to taking effective actions to make Oregon communities safer.

While we await the investigations' results, we can and will continue learning from other jurisdictions and from this event to prepare for the next one. The scale and speed of these fires is a new challenge for Oregon, and one the PUC is committed to helping the state meet.